

## Executive Summary

### Overview

The Oregon Health Authority (OHA) provides this report as required by Section 1 of House Bill 4092 (Enrolled, 2024). This report is intended to evaluate the expenditures associated with behavioral health services provided through Local Mental Health Authorities (LMHAs) and Community Mental Health Programs (CMHPs) in Oregon. This document focuses on three services: community restoration services under judicial order Aid & Assist, Civil Commitment services, and Crisis Services.

This report incorporates available quantitative data supplied to Optumas and OHA by the CMHPs and supplemented by data available from OHA to provide a high-level understanding of the costs associated with service expenditures compared to available funding. The data presented in this report includes CMHP staffing, staffing costs, utilization, and county appropriation amounts from the County Financial Assistance Agreements (CFAA) for calendar year (CY) 2022, 2023, and the first six months of 2024. These periods were selected to provide at least two years of annual data, including the most recent data available when this report process was initiated.

The Oregon Legislature appropriates state general funds, federal funds, and other state funds, such as alcohol taxes to OHA, which then distributes these funds, including all applicable federal funding (e.g., SAMHSA Mental Health block grant funding, American Rescue Plan funding, etc.), through the CFAA to LMHAs and CMHPs. Please note that CMHPs who provide Crisis Services to Medicaid eligible individuals can bill Medicaid and receive reimbursement in addition to the CFAA. The revenues associated with Medicaid reimbursement are not evaluated and included in this report due to limitations in the data available.

### Key Findings

The following highlights findings from the evaluation of data submitted by the CMHPs. It is important to note that the Aid & Assist and Civil Commitment services evaluated in this report are not eligible for Medicaid coverage and are entirely funded by the CFAA.

- The annual reported CMHP staff costs for Aid & Assist, Civil Commitment, and Crisis Services grew from \$65.4 million in CY22 to \$84.0 million in CY23. For the first six months of CY24, this figure is \$56.5 million or \$113 million on an annualized basis.
- Crisis Services make up the largest proportion of the CMHP reported costs.
- During the engagement with the CMHPs, they expressed concern about the rising costs of providing these services and the available funding to meet the demand.
- The difference between CMHP costs and CFAA funding, excluding one-time funding, is \$15.3 million, \$15.0 million, and \$16.2 million for CY22, CY23, and the first six months of CY24, respectively. Annualizing the first six months of CY24 indicates a **\$32.4 million** difference.

- After including one-time funding in CFAA amounts, the difference decreases to \$9.7 million, \$6.9 million, and \$13.6 million for CY22, CY23, and the first six months of CY24, respectively. Annualizing the difference for the first six months of CY24 indicates a **\$27.2 million** difference.
- CMHPs report approximately 140 vacant positions across all CMHPs in the first six months of CY24. Staff vacancies for Crisis Services are the largest at 113, followed by 17 vacancies for Aid & Assist and 10 for Civil Commitment.
- Where CMHPs fill staffing gaps using contracted mental health professionals their staff costs are often 50% to 100% higher than employed staff.

When evaluating reported costs by each CMHP, readers should note that the costs by CMHPs are relative to the population size of each county. Please refer to Appendix 2 (Page 39) for the CY23 population information by county as published by the Population Resource Center at Portland State University<sup>1</sup>.

## Recommendations and Next Steps

Because Aid & Assist and Civil Commitment are not eligible for Medicaid reimbursement, it is critical that the CFAA adequately funds the CY24 funding gap outlined above minus the amount of Medicaid revenue received (not quantified in this report) by the CMHPs with the general fund. These services provided by CMHPs support Governor Kotek's priority of building a behavioral health continuum of care that will meet people where they are and provide culturally and linguistically appropriate services to meet their mental health and addiction needs.<sup>2</sup>

This report does not determine the cost for CMHPs to provide services nor does it present age-based information due to limitations in data that were encountered during the performance of this work. OHA and Optumas have discussed conducting a comprehensive engagement process with the CMHPs following the completion of this report. This engagement process will occur between January 2025 and late spring 2025. It will establish more extensive and detailed data requests that should result in more accurate information for the Phase Two report is due in late December 2025.

This document is the executive summary of the Preliminary Report on CMHP Service Costs. The full report is available online [https://www.oregon.gov/oha/ERD/SiteAssets/Pages/Government-Relations/HB%204092\\_OR%20CMHP%20Cost%20Report\\_2024.12.26.pdf](https://www.oregon.gov/oha/ERD/SiteAssets/Pages/Government-Relations/HB%204092_OR%20CMHP%20Cost%20Report_2024.12.26.pdf)

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<sup>1</sup> <https://www.pdx.edu/population-research/population-estimate-reports>

<sup>2</sup> <https://www.oregon.gov/gov/priorities/Pages/behavioral-health.aspx>